UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN FRANCISCO DIVISION

SENDMAIL, INC., a Delaware corporation,

Plaintiff and Counter -Defendant,

v.

TUMBLEWEED COMMUNICATIONS CORP., a Delaware corporation,

Defendant and Counter -Claimant.

Case No. 3:08-cv-05542 JCS

The Honorable Joseph C. Spero

STIPULATION OF DISMISSAL BETWEEN PLAINTIFF AND DEFENDANT

WHEREAS, Plaintiff/Counter Defendant Sendmail, Inc. ("Sendmail") and Defendant/Counterclaimant Tumbleweed Communications Corp. ("Tumbleweed") have entered into a Settlement Agreement effective as of September 3, 2009.

NOW, THEREFORE, pursuant to the settlement agreement of the parties, Tumbleweed and Sendmail stipulate, subject to approval of the Court, that:

- 4. Sendmail's complaint against Tumbleweed is dismissed in its entirety with prejudice.
- 5. Tumbleweed's counterclaims against Sendmail in their entirety are dismissed with prejudice.
 - 6. Each party shall bear its own attorney's fees, expenses and costs.

STIPULATED AND AGREED TO:

Ted G. Dane

Munger, Tolles & Olson, LLP 355 S. Grand Avenue, 35th Floor

Los Angeles, CA 90071

(213) 683-9100

Attorneys for Tumbleweed Communications

Corp.

Arthur S. Beeman

Judge Joseph C. Spero

Jones Day

555 California Street, 26th Floor

San Francisco, CA 94104

Attorneys for Sendmail, Inc.

So ORDERED and SIGNED this 14th day of September, 2009.